



DEPARTMENT OF THE AIR FORCE  
WASHINGTON OC 20330-1000

OFFICE OF THE ASSISTANT SECRETARY

22 JUN 1995

AQ Policy 95A-003

MEMORANDUM FOR DISTRIBUTION

**FROM:** SAF/AQ  
1060 ~~Air~~ Force Pentagon  
Washington, DC 20330-1060

**SUBJECT:** Specifications and Standards--A New Way of Doing Business

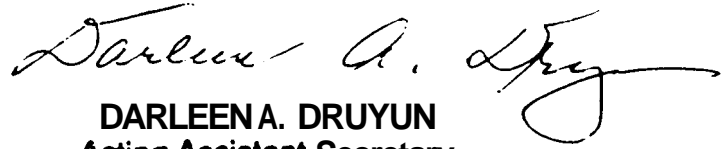
This AQ Policy memo supersedes AQ Policy 94A-010, consolidates the original and recently **issued** OSD policies, and provides updated Air Force specifications and standards policy (attachment 1).

The actions associated with the new policy are *directed* primarily toward acquisition category (ACAT) I-N programs. Although other contracting is not directed to comply with the waiver portions of this policy, other contracting will be favorably affected by the document improvement actions directed by the policy. **As** military specifications and standards are canceled or converted to performance specifications, commercial item descriptions, or other preferred documents, contracting will become increasingly commercial or performance oriented. Additionally, the Department of Defense Index of Specifications and Standards (DoDISS) will identify waiver exempt documents thereby facilitating selection of preferred specifications and standards for all contracting.

The Program Executive Officers and Designated Acquisition Commanders **are** responsible for ensuring proper implementation of this policy. The AFMC Director, Engineering and Technical Management (HQ AFMC/EN) is the **Air Force Standards Improvement Executive (SIE)**. The SIE is available to advise and assist with **all aspects** of policy implementation. Point of contact at HQ **AFMC** is the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712 or (513) 257-7712. Point of contact in the Air Force Secretariat is the Air Force Departmental Standardization Office, SAF/AQXM (DepSO), (703) 693-3218/3221 or DSN 223-3218/3221.

The Secretary of Defense, Secretary of the **Air Force**, and I are totally

committed to military specifications and standards reform. Your commitment, leadership, and good judgment are essential to ensure success of this effort.

A handwritten signature in black ink, appearing to read "Darleena A. Druyun", with a stylized flourish at the end.

**DARLEENA. DRUYUN**  
**Acting Assistant Secretary**  
**of the Air Force (Acquisition)**

**Attachments:**

- 1. Consolidated Air Force Policy (w/Appendices)**
- 2. Distribution**

## **CONSOLIDATED AIR FORCE POLICY MILITARY SPECIFICATIONS AND STANDARDS--A NEW WAY OF DOING BUSINESS**

This policy format is similar to the original specifications and standards reform policy issued under SECDEF Memo dated 29 Jun 94 (Appendix A). This format is retained to maintain continuity and to assist in familiarity. To provide a single, integrated policy statement, pertinent portions of DoD policies are restated here in italic print. Air Force supplemental policy and clarifying comments are in regular print.

1. **Use of Specifications and Standards, General.** The 29 Jun 94 SECDEF memo established a preference for the use of performance specifications and a secondary preference for non-Government standards. Nonperformance-based military specifications and standards are in general prohibited; however, waivers can be requested. In addition, reprocurments were exempted from the waiver process. The Air Force has also exempted acquisitions that were not designated Acquisition Categories (ACAT) I-IV. However, additional policy has become necessary to define document categories, in addition to performance specifications and non-Government standards, which are preferred or exempted from the waiver process. For instance, some military specifications are performance specifications and some military standards are necessary to specify interface requirements. Each military specification and standard will eventually be assigned a category to facilitate selection of documents which are preferred or exempt (see document definitions at Appendix B). The Department of Defense Index of Specifications and Standards (DoDISS) or its underlying data base will be updated to reflect each document's category. Certain acquisition situations, in addition to reprocurment, have also been determined to be exempt from the waiver process. Consolidated policy follows:

a. **Primary Preference for Use of Performance Specifications.** *Performance specifications shall be used when purchasing new systems, major modifications, upgrades to current systems, and nondevelopmental and commercial items, ~~for~~ programs in any acquisition (ACAT) category.* Major modifications and upgrades are as defined in DoDI 5000.2. DoD policy and procedures for the designation and approval of performance specifications are at Appendix C.

b. **Secondary Preference for Non-Government Standards.** *If it is not practicable to use a performance specification, a non-government standard shall be used.*

c. **General Preference for Use of Open System Specifications and Standards (Requirements for Standard Architectures and/or Interfaces) for Acquisition of Weapon System Electronics.** *"Open systems" specifications and standards (electrical, mechanical, thermal, etc.) will be used for acquisition ~~of~~ weapon systems electronics to the greatest extent practical. Open system specifications and standards are consensus-based public or nonproprietary specifications and standards ~~for~~ systems and interfaces*

## CONSOLIDATED AIR FORCE POLICY MILITARY SPECIFICATIONS AND STANDARDS—A NEW WAY OF DOING BUSINESS

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hardware, software, tools, and architecture. Effective immediately, these systems and subsystem shall be designed, developed, and constructed **as** open systems during the acquisition and modification process to reduce life-cycle cost and to facilitate effective weapon system intra- and interoperability. Requests **to** use specifications or standards which result in other than open systems shall be subject to the **same** waiver process described in paragraph 1.d., below. Open system specifications and standards can also have characteristics which define them as other document categories, such as, non-Government standards and interface standards.

**d. Waiver and Exemption Processes.**

(1). General. Performance specifications and standards, open system specifications and standards, and non-government **standards** shall be used instead of &tail government specifications and standards. For those cases when a detail government specification or standard is needed, ~~for~~ Acquisition Category (ACAT) Programs I-IV, to &fine an exact design solution, the DoD program office or buying command ~~may~~ use a government specification or standard, but only if a waiver is granted. A waiver **is** required only when the DoD program office or buying activity cites a &tail government specification or standard **as** a requirement in a solicitation. Specifications and standards placed on contract **as** a result of an offer or proposal in response **to** a solicitation **do** not require a waiver. **Air Force policy is that the waiver process only applies to acquisitions designated ACAT I-IV.**

(2). Documents Requiring Waivers. DoD program offices and buying commandr shall obtain waivers when citing **as** requirements in solicitations the types of government documents listed below:

(a) Military specifications and standards.

(b) Program unique detail specifications and standards that define exact design solutions.

(c) Federal specifications and standards.

(3) ~~Documents Not Requirinn~~ Waivers (Waiver-exempt Documents). The following types of documents **do** not require waivers:

(a) Any document required **by** law, the Federal Acquisition Regulation, or the Defense Federal Acquisition Regulation Supplement.

(b) Non-government standards.

(c) Federal Information Processing **Standards.**

(d) Government specifications designated in the DoD **Index of Specifications and Standards (DoDISS)** as performance specifications.

(e) Commercial item descriptions listed in the DoDISS.

(f) Guide specifications listed in the DoDISS. Field review procedures will ensure that any guide specification that references specific design solutions will not be used or a program specific waiver must be **obtained**.

(g) Interface standards listed in the DoDISS.

(h) Standard Practices listed in the DoDISS.

(i) Guides listed in the DoDISS.

(j) Handbooks listed in the DoDISS.

(4) Acquisitions Not Requiring Waivers (Waiver-exempt Acquisitions). Except as specified by the **Component** Acquisition Executive, it is not mandatory to obtain a waiver to use the types of documents identified in paragraph 2 above, for the following conditions:

(a) For repurchase of an item not requiring **major** modification or upgrade, as defined in DoDI 50002.

(b) If the offeror proposes the use of a specification or standard in response to a solicitation.

(c) For specifications and standards under Federal Supply Group **11** for Nuclear Ordnance and Federal Supply **Class 4470** for Nuclear Reactors.

(d) When a non-DoD customer requires the use of a specification or standard. If a Foreign **Military** Sales customer or other non-DoD customer, such as the National Aeronautics and Space Administration, specifically requests the use of **military** specifications and standards in any solicitation, no waiver is required and the specifications and standards may be cited in the request for proposal.

(e) For combined or joint acquisition programs where another federal agency or another **country** has the lead in the design or acquisition of an item.

(f) If the specification or standard is cited for guidance only. The **Air Force** strongly discourages "referencing for guidance" because it implies a preference for the referenced document and discourages innovation. The decision to reference rests at the System Program Director level.

*NOTE: It must be clearly stated in the solicitation what performance criteria will be used in evaluating proposals, and that the specification or standard represents only one possible acceptable solution. The waiver decision authority should challenge excessive listing of specifications and standards used for guidance only, since it may send the wrong message to potential contractors and does not promote acquisition cultural change.*

**(5) Department-Wide or Agency-Wide Exemptions From Waiver Process.**

*The Standards Improvement Executives (SIEs) for the Military Departments and the Defense Logistics Agency may exempt any specification or standard from the waiver process for their use in the solicitation, as they deem necessary. DoD Components that do not have a SIE may request a similar exemption from the Chairman of the Defense Standards Improvement Council. These exemptions must be renewed at least every two years. The Air Force SIE will consider requests for exemption. Requests will justify why the document should be exempt and specify the application of the exemption, such as, exempt Air Force-wide, exempt for spaceborne hardware, etc. Questions should be directed to the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712.*

**(6) Yet-to-Be-Designated Waiver-Exempt Documents.** If a military specification or standard is believed to be in one of the waiver exempt document categories, but has not yet been designated as such in the DoDISS, or its associated database, nor has the acquisition type been exempted, then use of that document will require either a program specific waiver, certification of the document by proper authority as being within a waiver-exempt document category, or an exemption by the Air Force SIE.

**(7) Process for Certifying a Document in a Waiver-Exempt Category.**

Currently the Defense Standards Improvement Council is designating certain documents coming before them for disposition. In addition, DoD policy at Appendix C authorizes the Services to specify their own performance specification certification procedures. Questions should be directed to the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712.

**(8) Waiver Approval Process.** Program offices and buying command shall submit waiver requests to the cognizant waiver decision authority. Waivers shall only be approved if:

(a) An exact design solution is required and an acceptable non-government standard does not exist; or

(b) The use of a performance specification or non-government standard would not meet user needs, be cost effective, or be practicable.

(c) Air Force Process for Program Specific Waivers: The Milestone Decision Authority (MDA) will normally be the waiver approval authority;

however, approval for any ACAT program **will** be at a level no lower than the Designated Acquisition Commander or Program Executive Officer. Waiver approval authority for ACAT ID programs **has** been delegated to the Air Force Acquisition Executive (AFAE) by USD(A&T).

**1 Waiver Request Routing When AFAE is the Approval Authority:** For those programs for which the AFAE is the approval authority, waiver requests will be routed through the **SIE** to evaluate the request and to recommend disposition. The **SIE** will forward the request and his recommendation to SAF/AQX who will **staff** the request to the **AFAE**. The **SIE** will **advise** other waiver requesting and waiver approval authorities upon request

**2 Waiver Request Documentation:** The Program Manager is responsible to ensure decisions made in accordance with this policy **are** appropriately documented. Waiver requests can be consolidated with documentation **used to** support the milestone review process, such **as**, including the request and justification **as** part of the Acquisition Strategy Report (ASR), Streamlining section. For those programs where SAF/AQ is the waiver approving authority, the milestone review process documentation must indicate the recommendation of the **SIE**. Approval of the milestone review process documentation would constitute approval of the waiver request. Alternatively, program managers may use a waiver request form obtainable **from** HQ AFMC/ENS. Decisions shall be included in the contract file or be traceable to formal milestone decision documentation. To comply with DoD required tracking of waiver approvals, a copy of each waiver approval will be sent to the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712.

(9) **Tracking Waiver Approvals.** *The waiver decision authorities shall send a copy of waiver approvals to an office designated by the cognizant Department Standardization Office (DepSO). This designated office shall send copies of approved waivers to the DoD Single Stock Point for listing in the Acquisition Streamlining and Standardization Information SysTem (ASSIST) data base. Only waiver approvals submitted by a DepSO designated office will be entered in the ASSIST data base. The Air Force office designated to receive, track, and report on program-specific waiver approvals for those military specifications and standards required in ACAT solicitations is HQ AFMC/ENS, DSN 787-7712 or commercial (513) 257-7712, e-mail: ~~en-~~afdsio@wpgatel.wpafb.af.mil, and telefax: DSN 787-0841 or commercial (513) 257-0841.*

(10) **Policy Specific to MIL-STD-881B, Work Breakdown Structure (WBS).**

(a) ***DoD Instruction 5000.2, Part 6, Section B, directs that the WBS will be developed from systems engineering efforts to define the total acquisition system, display it as a product-oriented family tree consisting of hardware, software,***



services, data and facilities, and relate the elements of work to each other and to the end product. The program WBS is developed initially to **define** the top three levels. As the program proceeds through development and is further defined, program managers should ensure that the WBS is extended to identify all high-cost and high-risk elements for management and reporting, while ensuring the contractor **has** complete flexibility to extend the WBS below the reporting requirement to **reflect** how work will be accomplished. To achieve these objectives, the DoD **Components** should cite MIL-STD-881B "for guidance **only**" in solicitations. Such a citation will not require a waiver. **This** policy shall **remain in effect** until the Defense Standards Improvement Council approves a replacement **document for** MIL-STD-881B.

(b) For some buying commands, "proper application" of WBS policy would **not** be business as usual. As discussed in my (Principal Deputy Under Secretary of Defense (Acquisition & Technology)) meeting with the Service Acquisition Executives on September 22, 1994, half of the requests for proposal reviewed by my office contain excessive WBS requirements. These excesses occur not because 881B is applied, but because too often we **do not** follow the guidance in the standard. To ensure that only the **minimum** WBS requirements are levied on our contractors, program managers must use Appendix I (User **Guide**) of MIL-STD-881B when formulating WBS for their programs.

(c) Air Force policy is that MIL-STD-881B shall be referenced "for guidance only" on **all** appropriate solicitations, that is, for those solicitations involving cost **risk** to the Government as addressed in DoD 5000.2-M, "Cost Management Reports." The intent is to improve program and contract WBS development, to guide the contractor in extending the program WBS and maintaining WBS integrity, and to avoid past contractual excesses.

(11) Determining If You Need a Waiver for a Non-open System Specification or Standard. To make this determination, a baseline of open system specifications and standards and the associated applications are necessary. Currently, this baseline **has not been defined**. As it is defined, that information will be made available to acquisition activities. Questions regarding the status of the baseline should be addressed to the Air Force Standards Improvement Office, HQ AFMC/ENS (DSN 787-7712). In the interim, requests for waivers will not be necessary; however, programs should attempt to determine if there are open systems architectures applicable to their acquisition and apply these architectures as appropriate.

(12) Waivers for First Production Lot Buys. The military specifications, standards, or detailed design solutions which are part of Engineering and Manufacturing Development (EMD) product baselines may be cited in a request for proposal (RFP) for the first production lot without a waiver. However, if any military specifications or standards are cited in the RFP for the first production buy, and those documents were not

previously waived, exempted, or part of the EMD baseline, a program specific waiver is required.

(13) Eliminating Unnecessary Specifications and Standards for Reprocurement. Military specifications and standards may be cited in RFPs without a waiver for items already in the inventory, such as spares and subsequent production lot buys. However, the Program Manager is encouraged to engage the contractor in an effort to eliminate unnecessary military specifications and standards. Decisions to eliminate or replace military specifications and standards should be based on anticipated savings over the life cycle of the system.

(14) Determining If You Need a Waiver for Military Specifications and Standards Cited in ECPs. For modifications or upgrades accomplished through existing contracts via Engineering Change Proposals (ECPs), a waiver is not required for military specifications or standards if they are contained within the basic contract. However, a waiver is required if a specification or standard is added as a Government requirement through an ECP, and that specification or standard, or the acquisition itself, is not otherwise exempted from the waiver process. Contractor proposed military specifications and standards do not require a waiver.

(15) Determining If a Waiver is Required for Data Item Descriptions that Reference Military Specifications and Standards. Currently, there is no definitive DoD policy on whether a waiver is necessary to use a Data Item Description (DID) which references a military specification or standard as a requirement. However, the problem will be partly resolved as some specifications and standards are revised to remove references to DIDs. This is a part of the document improvement actions directed by the SECDEF 29 Jun 94 memo. The problem will be further resolved as some DIDs are replaced by data specifications. In the interim, the following policy applies for the Air Force:

(a) If the acquisition is exempt, or the standard or specification is exempt, or there is a program specific waiver for the standard or specification, then the DID can be placed in that program's solicitation.

(b) If paragraph (a) above does not apply, but the DID references appropriate tasking language in the standard or specification, then request a program specific waiver for the standard or specification. Alternatively, use block 16 of the Contract Data Requirements List (CDRL) to tailor out references to the standard or specification and include the tasking in the solicitation. This latter procedure should only be applied when doing so does not violate the intent of the specifications and standards reform policy.

(c) If neither paragraphs (a) or (b) above apply, but the DID references necessary content and/or format instructions contained in the standard or

specification, then request a waiver of the standard or specification. Alternatively, extract essential content and/or format instructions from the **standard** or specification, place them in block **16** of the **CDRL**, then tailor out references to **the standard** or specification.

**2. Program Use of Specifications and Standards.** *Use of specifications and standards listed in DoD Instruction 5000.2 is not mandatory for Program Managers.* Instead, they *...are tools available to Program Managers, who shall view them as guidance, as stated in Section 6-Q of DoD Instruction 5000.2.*

**3. Tiering of Specifications and Standards.** Tiering refers to **stating** requirements at various levels of reference, normally referred to as *direct cite*, first-tier, second-tier, etc. For example, a referenced requirement that is called out in **the direct cite requirement** is considered first-tier. Referenced requirements **listed** in the first-tier are **considered** second-tier. **This** tiering could continue to many lower levels. Only those specifications and standards that **are** directly cited **or** first-tier references **shall be contractually binding**. The purpose is to eliminate unnecessary and costly contract management requirements. Referenced requirements that **are** below the first-tier level, but **are** necessary, **shall be** raised to direct-cite or first-tier level. This policy applies to production solicitations for new programs. Reprourement items and items/systems currently in production **are** exempted, but application to **all** acquisitions is encouraged when practical. Approval of exceptions to this policy must be obtained from the **Air Force SIE**. **To fully implement this policy**, the following statement (**or one substantially written as such**) shall be included in Section **2**, Applicable Documents, of the **SOW** for **all** new production contracts:

"Only those specifications cited down to and including the equipment/product specifications and their first-tier references shall be mandatory for use. Lower-tier references **will be** guidance only and will not be contractually binding unless **raised** to the direct cite level. Specifications listed on engineering drawings are considered to be first-tier references **as are** engineering drawings referenced in specifications."

Appendices:

A. SECDEF Memo, 29 Jun 94

B. **Definitions**

C. DSIC Chairman Policy Memo 95-2A, 10 Mar 95



THE SECRETARY OF DEFENSE  
WASHINGTON DC 20301

1219 JUN 1994

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
COMPTROLLER  
ASSISTANT SECRETARY OF DEFENSE (COMMAND CONTROL,  
COMMUNICATIONS, AND INTELLIGENCE)  
GENERAL COUNSEL  
INSPECTOR GENERAL  
DIRECTOR OF OPERATIONAL TEST AND EVALUATION  
DIRECTORS OF THE DEFENSE AGENCIES  
COMMANDER-IN-CHIEF, US. SPECIAL OPERATIONS COMMAND

SUBJECT: Specifications & Standards - A New Way of Doing Business

To meet future needs, the Department of Defense must increase access to commercial state-of-the-art technology and must facilitate the adoption by its suppliers of business processes characteristic of world class suppliers. In addition, integration of commercial and military development and manufacturing facilitates the development of dual-use processes and products and contributes to an expanded industrial base that is capable of meeting defense needs at lower costs.

I have repeatedly stated that moving to greater use of performance and commercial specifications and standards is one of the most important actions that DoD must take to ensure we are able to meet our military, economic, and policy objectives in the future. Moreover, the Vice President's National Performance Review recommends that agencies avoid government-unique requirements and rely more on the commercial marketplace.

To accomplish this objective, the Deputy Under Secretary of Defense (Acquisition Reform) chartered a Process Action Team to develop a strategy and a specific plan of action to decrease reliance, to the maximum extent practicable, on military specifications and standards. The Process Action Team report "Blueprint for Change," identifies the tasks necessary to achieve this objective. I wholeheartedly accept the Team's report and approve the report's primary recommendation to use performance and commercial specifications and standards in lieu of military specifications and standards, unless no practical alternative exists to meet the user's needs. I also accept the report of the Industry Review Panel on Specifications and Standards and direct the Under Secretary of Defense (Acquisition and Technology) to appropriately implement the Panel's recommendations.

I direct the addressees to take immediate action to implement the Team's recommendations and assign the Under Secretary of Defense (Acquisition and Technology) overall implementation responsibility. I direct the Under Secretary of Defense (Acquisition and Technology) to immediately arrange for reprogramming the funds needed in FY94 and FY95 to efficiently implement the recommendations. I direct the Secretaries of the Military Departments and the Directors of the Defense Agencies to program funding for FY96 and beyond in accordance with the Defense Planning Guidance.

## Policy Changes

Listed below are a number of the most critical changes to current policy that are needed to implement the Process Action Team's recommendations. These changes are effective immediately. However, it is not my intent to disrupt on-going solicitations or contract negotiations. Therefore, the Component Acquisition Executive (as defined in Part 15 of DoD Instruction 5000.2), or a designee, may waive the implementation of them changes for on-going solicitations or contracts during the next 180 days following of this memorandum. The Under Secretary of Defense (Acquisition and Technology) shall implement these policy changes in DoD Instruction 5000.2, the Defense Federal Acquisition Regulation Supplement (DFARS), and any other instructions, manuals, regulations, or policy documents, as appropriate.

**Military Specifications and Standards:** Performance specifications shall be used when purchasing new systems, major modifications, upgrades to current systems, and nondevelopmental and commercial items, for programs in any acquisition category. If it is not practicable to use a performance specification, a non-government standard shall be used. Since there will be cases when military specifications are needed to define an exact design solution because then, is no acceptable non-governmental standard or because the use of a performance specification or nongovernment standard is not cost effective, the use of military specifications and standards is authorized as a last resort, with an appropriate waiver.

- **Waivers for the use of military specifications and standards must be approved by the Milestone Decision Authority** (as defined in Part 2 of DoD Instruction 5000.2). In the case of acquisition category I D programs, waivers may be granted by the Component Acquisition Executive, or a designee. The Director, Naval Nuclear Propulsion shall determine the specifications and standards to be used for naval nuclear propulsion plants in accordance with Pub. L 98-525 (42 U.S.C. 57158 note). Waivers for procurement of items already in the inventory are not required. Waivers may be made on a 'class' or item basis for a period of time not to exceed two years.

**Innovative Contract Management:** The Under Secretary of Defense (Acquisition and Technology) shall develop, within 60 days of the date of this memorandum, Defense Federal Acquisition Regulation Supplement (DFARS) language to encourage contractors to propose nongovernment standards and industry-wide practices that meet the intent of the military specifications and standards. The Under Secretary will make this language effective 180 days after the date of this memorandum. This language will be developed for inclusion in both requests for proposal and in ongoing contracts. These standards and practices shall be considered as alternatives to those military specifications and standards cited in all new contracts expected to have a value of \$100,000 or more, and in existing contracts of \$500,000 or more having a substantial contract effort remaining to be performed.

Pending completion of the language, I encourage the Secretaries of the Military Departments and the Directors of the Defense Agencies to exercise their existing authority to use solicitation and contract clause language such as the language proposed in the Process Action Team's report. Government contracting officers shall expedite the processing of proposed alternatives to military specifications and standards and are encouraged to use the Value Engineering no-cost settlement method (permitted by FAR 48.104-3) in existing contracts.

**Program Use of Specifications and Standards:** Use of specifications and standards listed in DoD Instruction 5000.2 is not mandatory for Program Managers. These specifications and standards are tools available to the Program Manager, who shall view them as guidance, as stated in Section 6-Q of DoD Instruction 5000.2.

**Tiering of Specifications and Standards:** During production, those system specifications, subsystem specifications and equipment/product specifications (through and including the first-tier references in the equipment/product specifications) cited in the contract shall be mandatory for use. Lower tier references will be for guidance only, and will not be contractually binding unless they are directly cited in the contract. Specifications and standards listed on engineering drawings are to be considered as first-tier references. Approval of exceptions to this policy may only be made by the Head of the Departmental or Agency Standards Improvement Office and the Director, Naval Nuclear Propulsion for specifications and drawings used in nuclear propulsion plants in accordance with Pub. L 98525 (42U.S.C. §7158 Note).

### **New Directions**

**Management and Manufacturing Specifications and Standards:** Program Managers shall use management and manufacturing specifications and standards for guidance only. The Under Secretary of Defense (Acquisition and Technology) shall develop a plan for canceling these specifications and standards, inactivating them for new designs, transferring the specifications and standards to non-government standards, converting them to performance-based specifications, or justifying their retention as military specifications and standards. The plan shall begin with the ten management and manufacturing standards identified in the Report of the Industry Review Panel on Specifications and Standards and shall require completion of the appropriate action, to the maximum extent practicable, within two years.

**Configuration Control:** To the extent practicable, the Government should maintain configuration control of the functional and performance requirements only, giving contractors responsibility for the detailed design.

**Obsolete Specifications:** The 'Department of Defense Index of Specifications and Standards' and the 'Acquisition Management System and Data Requirements Control List' contain outdated military specifications and standards and data requirements that should not be used for new development efforts. The Under Secretary of Defense (Acquisition and Technology) shall develop a procedure for identifying and removing these obsolete requirements.

**Use of Non-Government Standards:** I encourage the Under Secretary of Defense (Acquisition and Technology) to form partnerships with industry associations to develop non-government standards for replacement of military standards where practicable. The Under Secretary shall adopt and list in the 'Department of Defense Index of Specifications and Standards' (DDOISS) nongovernment standards currently being used by DoD. The Under Secretary shall also establish teams to review the federal supply classes and standardization measures to identify candidates for conversion or replacement.

**Reducing Oversight:** I direct the Secretaries of the Military Departments and the Directors of the Defense Agencies to reduce direct Government oversight by substituting process controls

and non-government standards in place of development and/or production testing and inspection and military-unique quality assurance systems.

### Cultural Changes

**Challenge Acquisition Requirements:** Program Managers and acquisition decisionmakers at all levels shall challenge requirements because the problem of unique military systems does not begin with the standards. The problem is rooted in the requirements determination phase of the acquisition cycle.

**Enhance Pollution Controls:** The Secretaries of the Military Departments and the Directors of the Defense Agencies shall establish and execute an aggressive program to identify and reduce or eliminate toxic pollutants procured or generated through the use of specifications and standards.

**Education and Training:** The Under Secretary of Defense (Acquisition and Technology) shall ensure that training and education programs throughout the Department are revised to incorporate specifications and standards reform.

**Program Review:** Milestone Decision Authority (MDA) review of programs at all levels shall include consideration of the extent streamlining, both in the contract and in the oversight process, is being pursued. The MDA (i.e., the Component Acquisition Executive or his/her designee, for all but ACAT 1D programs) will be responsible for ensuring that progress is being made with respect to programs under his/her cognizance.

**Standards Improvement Executives:** The Under Secretary, the Secretaries of the Military Departments, and the Director of the Defense Logistics Agency shall appoint Standards Improvement Executives within 30 days. The Standards Improvement Executives shall assume the responsibilities of the current Standardization Executives, support those carrying out acquisition reform, direct implementation of the military specifications and standards reform program, and participate on the Defense Standards Improvement Council. The Defense Standards Improvement Council shall be the primary coordinating body for the specification and standards program within the Department of Defense and shall report directly to the Assistant Secretary of Defense (Economic Security). The Council shall coordinate with the Deputy Under Secretary of Defense (Acquisition Reform) regarding specification and standards reform matters, and shall provide periodic progress reports to the Acquisition Reform Senior Steering Group, who will monitor overall implementation progress.

### Management Commitment

This Process Action Team tackled one of the most difficult issues we will face in reforming the acquisition process. I would like to commend the team, composed of representatives from all of the Military Departments and appropriate Defense Agencies, and its leader, Mr. Darold Griffin, for a job well done. In addition, I would like to thank the Army, and in particular, Army Materiel Command, for its administrative support of the team. . . .

The Process Action Team's report and the policies contained in this memorandum are not a total solution to the problems inherent in the use of military specifications and standards; however, they are a solid beginning that will increase the use of performance and commercial

## DOCUMENT DEFINITIONS

(Definition **Sources** in brackets [ ]) )

**Commercial Item Description (CID)** - An indexed, simplified product description managed by the **GSA** that describes, by functional or performance characteristics, the available, acceptable commercial products that **will satisfy** the Government's needs. [DoD 4120.3-M]

**Data Specification - A** document used to define data acquired under contract. [DoD Military standards Questionnaire]

**Federal Information Processing Standard - FIPS** are automatic data processing standards developed and issued by the National Institute of Standards and Technology (NIST) after approval by the Secretary of Commerce, as part of their Federal Information Processing Standards Publications (FIPS PUBS ) series. [FIRMR, Amendment 1, Oct 90, Subpart 201-20.303]

**Guide - This** document provides guidelines for management and manufacturing process type information requested of the contractor during the solicitation process. The guide may also contain suggested evaluation criteria that may be used by the government in source selection. Guides shall only be used in the solicitation and shall not become part of the contract. Contractor plans accepted by the government are what will be put on contract. [DoD Military Standards Questionnaire]

**Guide Specification - A** document used to identify recurring requirements for types of systems, subsystems, equipments, or assemblies that must be determined and tailored for each acquisition before solicitation or contractor selection. [DoD 4120.3-M]

**Handbook - This** document serves as a reference or text-book type of document. It enhances user knowledge and provides technical options that are useful in developing requirements documents. Handbooks provide lessons learned; standard terminology; classification of similar items; possible options to address technical issues; interpretative direction; and any other type of information that may help the government or contractors in the design, construction, selection, management, support, or operation of systems, products, processes, or services. Handbooks may be cited for guidance information in solicitations, contracts, or in other requirements documents, but shall never be cited as a requirement document. [DoD Military Standards Questionnaire]

**Interface Standard - A** document that specifies the physical or functional interface characteristics of systems, subsystems, equipments, assemblies, components, items, or parts to permit interchangeability, interconnection, interoperability, compatibility, or communications. Such documents express performance criteria in terms of form, fit, and function. [DoD Military Standards Questionnaire]



**Manufacturing Process Standard** - A document that states the desired outcome of manufacturing processes or specifies procedures or criteria on how to perform manufacturing processes. [DoD Military **Standards** Questionnaire)

**Non-Government Standard** - A standardization document developed by a private Sector association, organization, or technical society that plans, develops, establishes, or coordinates **standards**, specifications, handbooks, or related documents. This term does not include standards of individual companies. [DoD 4120.3-M]

**Open System Specification** - Consensus-based public or nonproprietary specifications and standards for systems and interfaces of hardware, software, tools, and architecture. [USD(A&T) Memo, Acquisition of Weapons Systems Electronics Using Open Systems Specifications and Standards, 29 Nov 94]

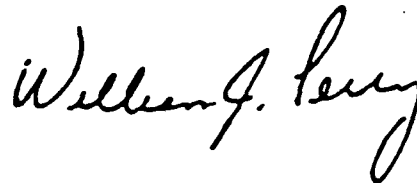
**Performance Specification** - A performance specification states requirements in terms of the required results with criteria for verifying compliance, but without stating the methods for achieving the required results. A performance specification defines the functional requirements for the item, the environment in which it must operate, and interface and interchangeability characteristics. [DSIC Policy Memo 95-21]

**Standard Practice** - A document that specifies procedures on how to conduct services, functions, or operations not related to the manufacturing process. [DoD Military **Standards** Questionnaire]

**Test Method Standard** - A document that specifies procedures or criteria for measuring, identifying, or evaluating qualities, characteristics, and properties of a product or process. [DoD Military Standards Questionnaire]

specifications and standards. Your leadership and good judgment will be critical to successful implementation of this reform. I encourage you and your leadership teams to be active participants in establishing the environment essential for implementing this cultural change.

This memorandum is intended only to improve the internal management of the Department of Defense and does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the Department of Defense or its officers and employees.

A handwritten signature in black ink, reading "William J. Perry". The signature is written in a cursive style with a large, looped "P" and a long, sweeping underline.

22 June 1995

AQ Policy 95A-003

MEMORANDUM FOR DISTRIBUTION

FROM: SAF/AQ  
1060 Air Force Pentagon  
Washington, DC 20330-1060

**SUBJECT:** Specifications and Standards--A New Way of Doing Business

This AQ Policy memo supersedes AQ Policy 94A-010, consolidates the original and recently issued OSD policies, and provides updated Air Force specifications and standards policy (attachment 1).

The actions associated with the new policy are directed primarily toward acquisition category (ACAT) I-IV programs. Although other contracting is not directed to comply with the waiver portions of this policy, other contracting will be favorably affected by the document improvement actions directed by the policy. As military specifications and standards are canceled or converted to performance specifications, commercial item descriptions, or other preferred documents, contracting will become increasingly commercial or performance oriented. Additionally, the Department of Defense Index of Specifications and Standards (DoDISS) will identify waiver-exempt documents thereby facilitating selection of preferred specifications and standards for all contracting.

The Program Executive Officers and Designated Acquisition Commanders are responsible for ensuring proper implementation of this policy. The AFMC Director, Engineering and Technical Management (HQ AFMC/EN) is the Air Force Standards Improvement Executive (SIE). The SIE is available to advise and assist with all aspects of policy implementation. Point of contact at HQ AFMC is the Air Force Standards Improvement Office, HQ AFMCENS, DSN 787-7712 or (513)257-7712. Point of contact in the Air Force Secretariat is the Air Force Departmental Standardization Office, SAF/AQXM (DepSO), (703)693-3218/3221 or DSN 223-3218/3221.

The Secretary of Defense, Secretary of the Air Force, and I are totally

committed to military specifications and standards reform. Your commitment, leadership, and good judgment are essential to ensure success of this effort.

//SIGNED//

DARLEEN A. DRUYUN  
Acting Assistant Secretary  
of the Air Force (Acquisition)

Attachments:

1. Consolidated Air Force Policy (w/Appendices)
2. Distribution

*of hardware, software, tools, and architecture. Effective immediately, these systems and subsystems shall be designed, developed, and constructed as open systems during the acquisition and modification process to reduce life-cycle cost and to facilitate effective weapon system intra- and interoperability. Requests to use specifications or standards which result in other than open systems shall be subject to the same waiver process described in paragraph 1.d., below. Open system specifications and standards can also have characteristics which define them as other document categories, such as, non-Government standards and interface standards.*

**d. Waiver and Exemption Processes.**

*(1). General. Performance specifications and standards, open system specifications and standards, and non-government standards shall be used instead of detail government specifications and standards. For those cases when a detail government specification or standard is needed, for Acquisition Category (ACAT) Programs I-IV, to define an exact design solution, the DoD program office or buying command may use a government specification or standard, but only if a waiver is granted. A waiver is required only when the DoD program office or buying activity cites a detail government specification or standard as a requirement in a solicitation. Specifications and standards placed on contract as a result of an offeror proposal in response to a solicitation do not require a waiver. Air Force policy is that the waiver process only applies to acquisitions designated ACAT I-IV.*

*(2). Documents Requiring Waivers. DoD program offices and buying commands shall obtain waivers when citing as requirements in solicitations the types of government documents listed below:*

*(a) Military specifications and standards.*

*(b) Program unique detail specifications and standards that define exact design solutions.*

*(c) Federal specifications and standards.*

*(3) Documents Not Requiring Waivers (Waiver-exempt Documents). The following types of documents do not require waivers:*

*(a) Any document required by law, the Federal Acquisition Regulation, or the Defense Federal Acquisition Regulation Supplement.*

*(b) Non-government standards.*

*(c) Federal Information Processing Standards.*

*(d) Government specifications designated in the DoD Index of Specifications and Standards (DoDISS) as performance specifications.*

*(e) Commercial item descriptions listed in the DoDISS.*

*(f) Guide specifications listed in the DoDISS. Field review procedures will ensure that any guide specification that references specific design solutions will not be used or a program specific waiver must be obtained.*

*(g) Interface standards listed in the DoDISS.*

*(h) Standard Practices listed in the DoDISS.*

*(i) Guides listed in the DoDISS.*

*(j) Handbooks listed in the DoDISS.*

**(4) Acquisitions Not Requiring Waivers (Waiver-exempt Acquisitions).**  
*Except as specified by the Component Acquisition Executive, it is not mandatory to obtain a waiver to use the types of documents identified in paragraph 2 above, for the following conditions:*

*(a) For repurchase of an item not requiring major modification or upgrade, as defined in DoDI 5000.2.*

*(b) If the offeror proposes the use of a specification or standard in response to a solicitation.*

*(c) For specifications and standards under Federal Supply Group 11 for Nuclear Ordnance and Federal Supply Class 4470 for Nuclear Reactors.*

*(d) When a non-DoD customer requires the use of a specification or standard. If a Foreign Military Sales customer or other non-DoD customer, such as the National Aeronautics and Space Administration, specifically requests the use of military specifications and standards in any solicitation, no waiver is required and the specifications and standards may be cited in the request for proposal.*

*(e) For combined or joint acquisition programs where another federal agency or another country has the lead in the design or acquisition of an item.*

*(f) If the specification or standard is cited for guidance only. The Air Force strongly discourages "referencing for guidance" because it implies a preference for the referenced document and discourages innovation. The decision to reference rests at the System Program Director level.*

**NOTE:** *It must be clearly stated in the solicitation what performance criteria will be used in evaluating proposals, and that the specification or standard represents only one possible acceptable solution. The waiver decision authority should challenge excessive listing of specifications and standards used for guidance only, since it may send the wrong message to potential contractors and does not promote acquisition cultural change.*

(5) *Department-Wide-or-Agency-Wide Exemptions From Waiver Process.* The Standards Improvement Executives (SIEs) for the Military Departments and the Defense Logistics Agency may exempt any specification or standard from the waiver process for their use in the solicitation, as they deem necessary. DoD Components that do not have a SIE may request a similar exemption from the Chairman of the Defense Standards Improvement Council. These exemptions must be renewed at least every two years. The Air Force SIE will consider requests for exemption. Requests will justify why the document should be exempt and specify the application of the exemption, such as, exempt Air Force-wide, exempt for spaceborne hardware, etc. Questions should be directed to the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712.

(6) *Yet-to-Be-Designated Waiver-Exempt Documents.* If a military specification or standard is believed to be in one of the waiver-exempt document categories, but has not yet been designated as such in the DoDISS, or its associated database, nor has the acquisition type been exempted, then use of that document will require either a program specific waiver, certification of the document by proper authority as being within a waiver-exempt document category, or an exemption by the Air Force SIE.

(7) *Process for Certifying a Document in a Waiver-Exempt Category.* Currently the Defense Standards Improvement Council is designating certain documents coming before them for disposition. In addition, DoD policy at Appendix C authorizes the Services to specify their own performance specification certification procedures. Questions should be directed to the Air Force Standards Improvement Office, HQ AFMC/ENS, DSN 787-7712.

(8) *Waiver Approval Process.* Program offices and buying commands shall submit waiver requests to the cognizant waiver decision authority. Waivers shall only be approved if:

(a) *An exact design solution is required and an acceptable non-government standard does not exist; or*

(b) *The use of a performance specification or non-government standard would not meet user needs, be cost effective, or be practicable.*

(c) *Air Force Process for Program Specific Waivers:* The Milestone Decision Authority (MDA) will normally be the waiver approval authority; however, approval for any ACAT program will be at a level no lower than the Designated

Acquisition Commander or Program Executive Officer. Waiver approval authority for ACAT ID programs has been delegated to the Air Force Acquisition Executive ( AFAE ) by USD(A&T).

1 Waiver Request Routing When AFAE is the Approval Authority: For those programs for which the AFAE is the approval authority, waiver requests will be routed through the SIE to evaluate the request and to recommend disposition. The SIE will forward the request and his recommendation to SAF/AQX who will staff the request to the AFAE. The SIE will advise other waiver requesting and waiver approval authorities upon request.

2 Waiver Request Documentation: The Program Manager is responsible to ensure decisions made in accordance with this policy are appropriately documented. Waiver requests can be consolidated with documentation used to support the milestone review process, such as, including the request and justification as part of the Acquisition Strategy Report (ASR), Streamlining section. For those programs where SAF/AQ is the waiver approving authority, the milestone review process documentation must indicate the recommendation of the SIE. Approval of the milestone review process documentation would constitute approval of the waiver request. Alternatively, program managers may use a waiver request form obtainable from HQ AFMCENS. Decisions shall be included in the contract file or be traceable to formal milestone decision documentation. To comply with DoD required tracking of waiver approvals, a copy of each waiver approval will be sent to the Air Force Standards Improvement Office, HQ AFMCENS, DSN 787-7712.

(9) Tracking-Waiver Approvals. *The waiver decision authorities shall send a copy of waiver approvals to an office designated by the cognizant Department Standardization Office (DepSO). This designated office shall send copies of approved waivers to the DoD Single Stock Point for listing in the Acquisition Streamlining and Standardization Information SysTem (ASSIST) data base. Only waiver approvals submitted by a DepSO designated office will be entered in the ASSIST data base. The Air Force office designated to receive, track, and report on program-specific waiver approvals for those military specifications and standards required in ACAT solicitations is HQ AFMCENS, DSN 787-7712 or commercial (513)257-7712, e-mail: =en-afdsio@wpgate1.wpafb.af.mil, and telefax: DSN 787-0841 or commercial (513)257-0841.*

(10) Policy Specific to MIL-STD-881B, Work Breakdown Structure (WBS).

(a) *DoD Instruction 5000.2, Part 6, Section B, directs that the WBS will be developed from systems engineering efforts to define the total acquisition system, display it as a product-oriented family tree consisting of hardware, software, services, data and facilities, and relate the elements of work to each other and to the end product. The program WBS is developed initially to define the top three levels. As*



*the program proceeds through development and is further defined, program managers should ensure that the WBS is extended to identify all high-cost and high-risk elements for management and reporting, while ensuring the contractor has complete flexibility to extend the WBS below the reporting requirement to reflect how work will be accomplished. To achieve these objectives, the DoD Components should cite MIL-STD-881B "for guidance only" in solicitations. Such a citation will not require a waiver. This policy shall remain in effect until the Defense Standards Improvement Council approves a replacement document for MIL-STD-881B.*

(b) **For** some buying commands, "proper application" of WBS policy would not be business as usual. As discussed in my (Principal Deputy Under Secretary of Defense (Acquisition & Technology)) meeting with the Service Acquisition Executives on September 22, 1994, half of the requests for proposal reviewed by my office contain excessive WBS requirements. These excesses occur not because 881B is applied, but because too often we do not follow the guidance in the standard. To ensure that only the minimum WBS requirements are levied on our contractors, program managers must use Appendix I (User Guide) of MIL-STD-881B when formulating WBS for their programs.

(c) Air Force policy is that MIL-STD-881B shall be referenced "for guidance only" on all appropriate solicitations, that is, for those solicitations involving cost risk to the Government as addressed in DoD 5000.2-M, "Cost Management Reports." The intent is to improve program and contract WBS development, to guide the contractor in extending the program WBS and maintaining WBS integrity, and to avoid past contractual excesses.

(11) Determining If You Need a Waiver for a Non-open System Specification or Standard. To make this determination, a baseline of open system specifications and standards and the associated applications are necessary. Currently, this baseline has not been defined. As it is defined, that information will be made available to acquisition activities. Questions regarding the status of the baseline should be addressed to the Air Force Standards Improvement Office, HQ AFMC/ENS (DSN 787-7712). In the interim, requests for waivers will not be necessary; however, programs should attempt to determine if there are open systems architectures applicable to their acquisition and apply these architectures as appropriate.

(12) Waivers for First Production Lot Buys. The military specifications, standards, or detailed design solutions which are part of Engineering and Manufacturing Development (EMD) product baselines may be cited in a request for proposal (RFP) for the first production lot without a waiver. However, if any military specifications or standards are cited in the RFP for the first production buy, and those documents were not previously waived, exempted, or part of the EMD baseline, a program specific waiver is required.

(13) Eliminating Unnecessary Specifications and Standards for Reprocurement. Military specifications and standards may be cited in RFPs without a waiver for items already in the inventory, such as spares and subsequent production lot buys. However, the Program Manager is encouraged to engage the contractor in an effort to eliminate unnecessary military specifications and standards. Decisions to eliminate or replace military specifications and standards should be based on anticipated savings over the life cycle of the system.

(14) Determining If You Need a Waiver for Military Specifications and Standards Cited in ECPs. For modifications or upgrades accomplished through existing contracts via Engineering Change Proposals (ECPs), a waiver is not required for military specifications or standards if they are contained within the basic contract. However, a waiver is required if a specification or standard is added as a Government requirement through an ECP, and that specification or standard, or the acquisition itself, is not otherwise exempted from the waiver process. Contractor proposed military specifications and standards do not require a waiver.

(15) Determining If a Waiver is Required for Data Item Descriptions that Reference Military Specifications and Standards. Currently, there is no definitive DoD policy on whether a waiver is necessary to use a Data Item Description (DID) which references a military specification or standard as a requirement. However, the problem will be partly resolved as some specifications and standards are revised to remove references to DIDs. This is a part of the document improvement actions directed by the SECDEF 29 Jun 94 memo. The problem will be further resolved as some DIDs are replaced by data specifications. In the interim, the following policy applies for the Air Force:

(a) If the acquisition is exempt, or the standard or specification is exempt, or there is a program specific waiver for the standard or specification, then the DID can be placed in that program's solicitation.

(b) If paragraph (a) above does not apply, but the DID references appropriate tasking language in the standard or specification, then request a program specific waiver for the standard or specification. Alternatively, use block **16** of the Contract Data Requirements List (CDRL) to tailor out references to the standard or specification and include the tasking in the solicitation. This latter procedure should only be applied when doing so does not violate the intent of the specifications and standards reform policy.

(c) If neither paragraphs (a) or (b) above apply, but the DID references necessary content and/or format instructions contained in the standard or specification, then request a waiver of the standard or specification. Alternatively, extract essential content and/or format instructions from the standard or specification, place them in block 16 of the CDRL, then tailor out references to the standard or specification.

**2. Program Use of Specifications and Standards.** *Use of specifications and standards listed in DoD Instruction 5000.2 is not mandatory for Program Managers. Instead, they . . . are tools available to Program Managers, who shall view them as guidance, as stated in Section 6-Q of DoD Instruction 5000.2.*

**3. Tiering of Specifications and Standards.** Tiering refers to stating requirements at various levels of reference, normally referred to as direct cite, first-tier, second-tier, etc. For example, a referenced requirement that is called out in the direct cite requirement is considered first-tier. Referenced requirements listed in the first-tier are considered second-tier. This tiering could continue to many lower levels. Only those specifications and standards that are directly cited or first-tier references shall be contractually binding . The purpose is to eliminate unnecessary and costly contract management requirements. Referenced requirements that are below the first-tier level, but are necessary, shall be raised to direct-cite or first-tier level. This policy applies to production solicitations for new programs. Reprocurement items and items/systems currently in production are exempted, but application to all acquisitions is encouraged when practical. Approval of exceptions to this policy must be obtained from the Air Force SIE. To fully implement this policy, the following statement (or one substantially written as such) shall be included in Section 2, Applicable Documents, of the SOW for all new production contracts:

"Only those specifications cited down to and including the equipment/product specifications and their first-tier references shall be mandatory for use. Lower-tier references will be guidance only and will not be contractually binding unless raised to the direct cite level. Specifications listed on engineering drawings are considered to be first-tier references as are engineering drawings referenced in specifications."

Appendices:

- A. SECDEF Memo, 29 Jun 94
- B. Definitions
- C. DSIC Chairman Policy Memo 95-2A, 10 Mar 95

29 Jun 94

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
COMPTROLLER  
ASSISTANT SECRETARY OF DEFENSE (COMMAND' CONTROL,  
COMMUNICATIONS, AND INTELLIGENCE)  
GENERAL COUNSEL  
INSPECTOR GENERAL  
DIRECTOR OF OPERATIONAL TEST AND EVALUATION  
DIRECTORS OF THE DEFENSE AGENCIES  
COMMANDER-IN-CHIEF, U.S. SPECIAL OPERATIONS COMMAND

SUBJECT: Specifications & Standards -- A New Way of Doing Business

To meet future needs, the Department of Defense must increase access to commercial state-of-the-art technology and must facilitate the adoption by its suppliers of business processes characteristic of world class suppliers. In addition, integration of commercial and military development and manufacturing facilitates the development of dual-use processes and products and contributes to an expanded industrial base that is capable of meeting defense needs at lower costs.

I have repeatedly stated that moving to greater use of performance and commercial specifications and standards is one of the most important actions that DoD must take to ensure we are able to meet our military, economic, and policy objectives in the future. Moreover, the Vice President's National Performance Review recommends that agencies avoid government-unique requirements and rely more on the commercial marketplace.

To accomplish this objective, the Deputy Under Secretary of Defense (Acquisition Reform) chartered a Process Action Team to develop a strategy and a specific plan of action to decrease reliance, to the maximum extent practicable, on military specifications and standards. The Process Action Team report, "Blueprint for Change," identifies the tasks necessary to achieve this objective. I wholeheartedly accept the Team's report and approve the report's primary recommendation to use performance and commercial specifications and standards in lieu of military specifications and standards, unless no practical alternative exists to meet the user's needs. I also accept the report of the Industry Review Panel on Specifications and Standards and direct the Under Secretary of Defense (Acquisition and Technology) to appropriately implement the Panel's recommendations.

I direct the addressees to take immediate action to implement the Team's recommendations and assign the Under Secretary of Defense (Acquisition and Technology) overall implementation responsibility. I direct the Under Secretary of Defense (Acquisition and Technology) to immediately arrange for reprogramming the funds needed in FY94 and FY95 to efficiently implement the recommendations. I direct the Secretaries of the Military Departments and the Directors of the Defense Agencies to program funding for FY96 and beyond in accordance with the Defense Planning Guidance.

**Atch 1**  
**Appendix A**

## Policy Changes

Listed below are a number of the most critical changes to current policy that are needed to implement the Process Action Team's recommendations. These changes are effective immediately. However, it is not my intent to disrupt on-going solicitations or contract negotiations. Therefore, the Component Acquisition Executive (as defined in Part 15 of DoD Instruction 5000.2), or a designee, may waive the implementation of these changes for on-going solicitations or contracts during the next 180 days following the date of this memorandum. The Under Secretary of Defense (Acquisition and Technology) shall implement these policy changes in DoD Instruction 5000.2, the Defense Federal Acquisition Regulation Supplement (DFARS), and any other instructions, manuals, regulations, or policy documents, as appropriate.

**Military Specifications and Standards:** Performance specifications shall be used when purchasing new systems, major modifications, upgrades to current systems, and nondevelopmental and commercial items, for programs in any acquisition category. If it is not practicable to use a performance specification, a non-government standard shall be used. Since there will be cases when military specifications are needed to define an exact design solution because there is no acceptable non-governmental standard or because the use of a performance specification or non-government standard is not cost effective, the use of military specifications and standards is authorized as a last resort, with an appropriate waiver.

Waivers for the use of military specifications and standards must be approved by the Milestone Decision Authority (as defined in Part 2 of DoD Instruction 5000.2). In the case of acquisition category ID programs, waivers may be granted by the Component Acquisition Executive, or a designee. The Director, Naval Nuclear Propulsion shall determine the specifications and standards to be used for naval nuclear propulsion plants in accordance with Pub. L. 98-525 (42 U.S.C. §7158 note). Waivers for procurement of items already in the inventory are not required. Waivers may be made on a "class" or items basis for a period of time not to exceed two years.

**Innovative Contract Management:** The Under Secretary of Defense (Acquisition and Technology) shall develop, within 60 days of the date of this memorandum, Defense Federal Acquisition Regulation Supplement (DFARS) language to encourage contractors to propose non-government standards and industry-wide practices that meet the intent of the military specifications and standards. The Under Secretary will make this language effective 180 days after the date of this memorandum. This language will be developed for inclusion in both requests for proposal and in on-going contracts. These standards and practices shall be considered as alternatives to those military specifications and standards cited in all new contracts expected to have a value of \$100,000 or more, and in existing contracts of \$500,000 or more having a substantial contract effort remaining to be performed.

Pending completion of the language, I encourage the Secretaries of the Military Departments and the Directors of the Defense Agencies to exercise their existing authority to use solicitation and contract clause language such as the language proposed in the Process Action Team's report. Government contracting officers shall expedite the processing of proposed alternatives to military specifications and standards and are encouraged to use the Value Engineering no-cost settlement method (permitted by FAR 48.104-3) in existing contracts.

**Program Use of Specifications and Standards:** Use of specifications and standards listed in DoD Instruction 5000.2 is not mandatory for Program Managers. These specifications and standards are tools available to the Program Manager, who shall view them as guidance, as stated in Section 6-Q of DoD Instruction 5000.2.

**Tiering of Specification and Standards:** During production, those system specifications, subsystem specifications and equipment/product specifications (through and including the first-tier reference in the equipment/product specifications) cited in the contract shall be mandatory for use. Lower tier references will be for guidance only, and will not be contractually binding unless they are directly cited in the contract. Specifications and standards listed on engineering drawings are to be considered as first-tier references. Approval of exceptions to this policy may only be made by the Head of the Departmental or Agency Standards Improvement Office and the Director, Naval Nuclear Propulsion for specifications and drawings used in nuclear propulsion plants in accordance with Pub. L. 98-525 (42 U.S.C. §7158 Note).

### **New Directions**

**Management and Manufacturing Specifications and Standards:** Program Managers shall use management and manufacturing specifications and standards for guidance only. The Under Secretary of Defense (Acquisition and Technology) shall develop a plan for canceling these specifications and standards, inactivating them for new designs, transferring the specifications and standards to non-government standards, converting them to performance-based specifications, or justifying their retention as military specifications and standards. The plan shall begin with the ten management and manufacturing standards identified in the Report of the Industry Review Panel on Specifications and Standards and shall require completion of the appropriate action, to the maximum extent practicable, within two years.

**Configuration Control:** To the extent practicable, the Government should maintain configuration control of the functional and performance requirements only, giving contractors responsibility for the detailed design.

**Obsolete Specifications:** The "Department of Defense Index of Specifications and Standards" and the "Acquisition Management System and Data Requirements Control List" contain outdated military specifications and standards and data requirements that should not be used for new development efforts. The Under Secretary of Defense (Acquisition and Technology) shall develop a procedure for identifying and removing these obsolete requirements.

**Use of Non-Government Standards:** I encourage the Under Secretary of Defense (Acquisition and Technology) to form partnerships with industry associations to develop non-government standards for replacement of military standards where practicable. The Under Secretary shall adopt and list in the "Department of Defense Index of Specifications and Standards" (DoDISS) non-government standards currently being used by DoD. The Under Secretary shall also establish teams to review the federal supply classes and standardization areas to identify candidates for conversion or replacement.

**Reducing Oversight:** I direct the Secretaries of the Military Departments and the Directors of the Defense Agencies to reduce direct Government oversight by substituting process controls and non-government standards in place of development and/or production testing and inspection and military-unique quality assurance systems.

## **Cultural Chanues**

**Challenge Acquisition Requirements:** Program Managers and acquisition decisionmakers at all levels shall challenge requirements because the problem of unique military systems does not begin with the standards. The problem is rooted in the requirements determination phase of the acquisition cycle.

**Enhance Pollution Controls:** The Secretaries of the Military Departments and the Directors of the Defense Agencies shall establish and execute an aggressive program to identify and reduce or eliminate toxic pollutants procured or generated through the use of specifications and standards.

**Education and Training:** The Under Secretary of Defense (Acquisition and Technology) shall ensure that training and education programs throughout the Department are revised to incorporate specifications and standards reform.

**Program Reviews:** Milestone Decision Authority (MDA) review of programs at all levels shall include consideration of the extent streamlining, both in the contract and in the oversight process, is being pursued. The MDA (i.e., the Component Acquisition Executive or his/her designee, for all but ACAT 1D programs) will be responsible for ensuring that progress is being made with respect to programs under his/her cognizance.

**Standards Improvement Executives:** The Under Secretary the Secretaries of the Military Departments, and the Director of the Defense Logistics Agency shall appoint Standards Improvement Executives within 30 days. The Standards Improvement Executives shall assume the responsibilities of the current Standardization Executives, support those carrying out acquisition reform, direct implementation of the military specifications and standards reform program, and participate on the Defense Standards Improvement Council. The Defense Standards Improvement Council shall be the primary coordinating body for the specification and standards program within the Department of Defense and shall report directly to the Assistant Secretary of Defense (Economic Security). The Council shall coordinate with the Deputy Under Secretary of Defense (Acquisition Reform) regarding specification and standards reform matters, and shall provide periodic progress reports to the Acquisition Reform Senior Steering Group, who will monitor overall implementation progress.

## **Management Commitment**

This Process Action Team tackled one of the most difficult issues we will face in reforming the acquisition process. I would like to commend the team, composed of representatives from all of the Military Departments and appropriate Defense Agencies, and its leader, Mr. Harold Griffin, for a job well done. In addition, I would like to thank the Army, and in particular, Army Materiel Command, for its administrative support of the team.

The Process Action Team's report and the policies contained in this memorandum are not a total solution to the problems inherent in the use of military specifications and standards; however, they are a solid beginning that will increase the use of performance and commercial specifications and standards. Your leadership and good judgment will be critical to successful implementation of this reform. I encourage you and your leadership teams to be active participants in establishing the environment essential for implementing this cultural change.

This memorandum is intended only to improve the internal management of the Department of Defense and does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the Department of Defense or its officers and employees.

//SIGNED//  
William J. Perry



## DOCUMENT DEFINITIONS

(Definition Sources in Italics)

**Acquisition Guide** - An acquisition guide is a document that provides guidelines for requesting management or manufacturing type information from offerors during the solicitation process. It may also contain suggested evaluation criteria that can be used by the Government in source selection. [*DraftMIL-STD-962C, 14 Jun 95*]

**Commercial Item Description (CID)** - An indexed, simplified product description managed by the GSA that describes, by functional or performance characteristics, the available, acceptable commercial products that will satisfy the Government's needs [*DoD 4120.3-M*]

**Data Product Specification** - A specification used to acquire such data products as technical data packages, drawings, test reports, and any other type of data, with the exception of technical manuals. Data product specifications are the source documents for [Data Item Descriptions] DIDs and are listed in the [Acquisition Management System & Data Requirements Control List] AMSDL. [*MIL-STD-961D, 22 Mar 95*]

**Federal Information Processing Standard** - FIPS are automatic data processing standards developed and issued by the National Institute of Standards and Technology (NIST) after approval by the Secretary of Commerce, as part of their Federal Information Processing Standards Publications (FIPS PUBS) series. [*FIRMR, Amendment 1, Oct 90, Subpart 201-20.3031*]

**Guide Specification** - A document used to identify recurring requirements for types of systems, subsystems, equipments, or assemblies that must be determined and tailored for each acquisition before solicitation or contractor selection. [*DoD 4120.3-M*]

**Handbook** - A handbook is a guidance document that enhances user awareness by providing engineering information; lessons learned; possible options to address technical issues; classification of similar items, materials, or processes; interpretative direction and techniques; and any other type of guidance information that may help the Government or its contractors in the design, construction, selection, management, support, or operation of systems, products, processes, or services. [*DraftMIL-STD-962C, 14 Jun 95*]

**Interface Standard** - A standard that specifies the physical or functional interface characteristics of systems, subsystems, equipment, assemblies, components, items, or parts to permit interchangeability, interconnection, interoperability, compatibility, or communications. [*DraftMIL-STD-962C, 14 Jun 95*]

**Manufacturing Process Standard** - A standard that states the desired outcome of manufacturing processes or specifies procedures or criteria on how to perform manufacturing processes. [*DraftMIL-STD-962C, 14 Jun 95*]

**Non-Government Standard** - A standardization document developed by a private sector association, organization, or technical society which plans, develops, establishes, or coordinates standards, specifications, handbooks, or related documents. The term does not include standards of individual companies. Non-Government standards adopted by the DoD are listed in the DoDISS. [*DraftMIL-STD-962C, 14 Jun 95*]

**Open Systems Specification** - Consensus-based public or nonproprietary specifications and standards for systems and interfaces of hardware, software, tools, and architecture. [*USD(A&T) Memo, Acquisition of Weapons Systems Electronics Using Open Systems Specifications and Standards, 29 Nov 94*]

**Performance Specification** - A specification that states requirements in terms of the required results with criteria for verifying compliance, but without stating the methods for achieving the required results. A performance specification defines the functional requirements for the item, the environment in which it must operate, and interface and interchangeability characteristics. [*MIL-STD-961D, 22 Mar 95*]

**Standard Practice** - A standard that establishes procedures on how to conduct certain functions or operations. These procedures are not related to manufacturing processes. [*DraftMIL-STD-962C, 14 Jun 95*]

**Test Method Standard** - A standard that specifies procedures or criteria for measuring, identifying, or evaluating qualities, characteristics, and properties of a product or process. [*DraftMIL-STD-962C, 14 Jun 95*]

10 Mar 1995

MEMORANDUM FOR ARMY STANDARDS IMPROVEMENT EXECUTIVE,  
DR. KENNETH OSCAR  
NAVY STANDARDS IMPROVEMENT EXECUTIVE,  
MR. DANIEL PORTER  
AIR FORCE STANDARDS IMPROVEMENT EXECUTIVE,  
MR. JAMES BAIR  
DEFENSE LOGISTICS AGENCY STANDARDS IMPROVEMENT  
EXECUTIVE, COL. DONALD KLOVSTAD

SUBJECT: Policy Memo 95-2A, "Processing Performance Specifications"

The attached revision to Policy Memo 95-2 makes changes to incorporate the decision by the Defense Standards Improvement Council to have the document identifier reflect whether a specification is a performance or detailed specification. A few other minor administrative changes have been made to address feedback from your activities who are implementing this direction. Please take appropriate action to transmit these new procedures to your activities.

//SIGNEDII

Walter B. Bergmann, II  
Chairman  
Defense Standards Improvement Council

Attachment

cc: DUSD(AR)  
DASD(IA)  
DepSOs

Atch 1  
Appendix C

DEPARTMENT OF DEFENSE (DOD) POLICIES AND PROCEDURES ON  
PERFORMANCE SPECIFICATIONS LISTED IN THE DOD INDEX OF  
SPECIFICATIONS AND STANDARDS (DoDISS)

1. General. DoD activities shall develop and use performance specifications instead of detail government specifications wherever possible.
2. Definition. A performance specification states requirements in terms of the required results with criteria for verifying compliance, but without stating the methods for achieving the required results. A performance specification defines the functional requirements for the item, the environment in which it must operate, and interface and interchangeability characteristics.
3. Certifying Performance Specifications. Each Military Department and Defense Agency shall establish procedures for senior management certification of performance specifications that will be listed in the DoDISS. A copy of each certified performance specification to be listed in the DoDISS shall be sent for information only to OASD(ES)/IA/AP, Standardization Program Division, 5203 Leesburg Pike, Suite 1403, Falls Church, VA 22041-3466.
4. Processing New or Revised Performance Specifications. Newly developed DoDISS performance specifications and military specifications whose content was revised to meet the definition of performance specifications shall be processed in accordance with the development procedures for DoD standardization documents in DoD 4 120.3-M, "Defense Standardization Program Policies and Procedures," except document approval shall comply with paragraph 3 above.
5. Redesignation of Military Specifications to Performance Specifications. Where military specifications exist that already meet the definition of a performance specification, the specification preparing activity shall follow the procedures below. It is important to note that the change to the document identifier does not change the basic document number. Such things as part numbers, cataloging data, and drawings should remain unaffected and will not require a change.
  - a. Change the heading on the first page of the document from "MILITARY SPECIFICATION" to "PERFORMANCE SPECIFICATION." Replace the middle letter of the document identifier with the letters "PRF." For example, "MIL-A-123C" would become "MIL-PRF-123C." This change to the document identifier only needs to appear on the first page. The note below shall be placed in the upper left hand corner of the replacement first page. These shall be the only changes made. There shall not be any change made to the revision level, date, title, or content.

"NOTE: The document identifier and heading has been changed on this page to reflect that this is a performance specification. There are no other changes to this document. The document identifier on subsequent pages has not been changed, but will be changed the next time this document is revised."

b. If there is an amendment to the specification, the same administrative change described in item a. above must be made to the latest amendment as well. There shall be no other changes to the amendment.

c. Have the specification certified as stated in paragraph 3 above.

d. Send a copy of the revised first page only to the Defense Printing Service Detachment Office, Building 4D, NPM-DoDSSP, 700 Robbins Avenue Philadelphia, PA 19111-5094. A print order form is not required, but the preparing activity shall prepare a memorandum requesting that the attached revised first page be rescanned in the Print On Demand System and that the document be listed in the DoDISS as a performance specification. The memorandum shall also identify, by name and title, the certifying authority for the performance specification.

e. The DoD Single Stock Point shall make the necessary changes to the Print On Demand system and the ASSIST data base to designate the specification as a performance specification. The normal automatic distribution of the document is not necessary since this is an administrative, not technical, change. A notice shall appear in the DoDISS Notice listing all of the military specifications that were administratively changed to performance specifications for that period.

## DISTRIBUTION LIST

AFMC/CC/XR

ASC/CC

ESC/CC

HSC/CC

SMC/CC

OO-ALCICC

OC-ALC/CC

SA-ALCICC

SM-ALCICC

WR-ALC/CC

AFMC/XPV

Program Managers

System Program Directors

SAF/AQC/AQK/AQL/AQP/AQQ/AQS/AQT/AQX

SAF/FMB/FMC

SAF/IAQ

SAF/SN/SX

SAF/GCQ

PEO/CB

/CM

/CI

/ST

/SP

/TA

**ITS**

AF/IN

AF/LG/LGM

AF/PE

AF/RER

AF/SE/SEP

AF/SC

AF/TE/TEP/TER

AF/XO/XOR

AFOTEC/CC/XR

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AMC/XPQ

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AFIT/LSY

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